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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-5048-N]

Medicare Program; Independence at Home Demonstration Program

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice.

SUMMARY: This notice creates a new demonstration program for chronically ill Medicare beneficiaries to test a payment incentive and service delivery system that utilizes physician and nurse practitioner directed home-based primary care teams aimed at improving health outcomes and reducing expenditures, beginning [insert date of publication].

DATES: Effective Date: This notice is effective on [insert date of publication].

Application Deadline: [insert 45 days after date of publication.] at 5:00 p.m., Eastern Standard Time (E.S.T.).

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

I. Background

Section 3024 of the Patient Protection and Affordable Care Act of 2010 (the Affordable Care Act) (Pub. L. 111-148, enacted on March 23, 2010), amends title XVIII of the Social Security Act (the Act) by establishing the Independence at Home (IAH) Demonstration.

The IAH Demonstration will test a service delivery model that utilizes physician and nurse practitioner directed primary care teams to provide services to high cost, chronically ill Medicare beneficiaries in their homes. Participating practices will be accountable for providing comprehensive, coordinated, continuous, and accessible care to high-need populations at home and coordinate health care across all treatment settings. Participating practices may share in savings under the demonstration if specified quality measures and savings targets are achieved.

II. Provisions of the Notice

We are seeking interested practices that can provide home-based primary care to Medicare beneficiaries for purposes of this demonstration. We anticipate that a wide variety of interested practices may be eligible to apply to the IAH Demonstration. The participants in the Demonstration will be multidisciplinary teams composed of various members such as physicians, nurse practitioners, physician assistants, pharmacists, social workers, and other supporting staff. The practices must be led by physicians or nurse practitioners and must have experience providing home-based primary care to patients with multiple chronic illnesses. These practices will also be organized, at least in part, for the purpose of providing physician services. Qualifying practices may share in savings. Providers cannot be participating in section 1899 of the Act, the Medicare Shared Savings Program, or other Medicare shared savings programs at the time of the Demonstration.

Each participating practice must provide services to at least 200 applicable beneficiaries during each year of the demonstration. A practice's enrollment may vary over each year but must reach at least an average of 200 applicable beneficiaries during the first year and not drop below that average for the remainder of the demonstration.

There are three options available for practices to apply for the Demonstration. Practices may apply as a sole legal entity, consortium, or become a part of a national pool. These three options are for the purpose of establishing expenditure targets and determining incentive payments. Practices must enroll all existing patients meeting beneficiary eligibility criteria.

Participating practices will make in-home visits tailored to an individual patient's needs. Each practice must be available 24 hours per day, 7 days a week to carry out plans of care. Practices must use electronic health information systems, remote monitoring, and mobile diagnostic technology.

Applicable beneficiaries are defined as Medicare fee-for-service (FFS) patients, who have at least 2 chronic illnesses, need assistance with 2 or more functional dependencies requiring the assistance of another person, have had a nonelective hospital admission within the last 12 months, and have received acute or subacute rehabilitation services within the last 12 months. Beneficiaries to be included in the Demonstration must be entitled to Medicare part A and enrolled in Medicare part B, not enrolled in a Medicare Advantage plan or a Program for All-Inclusive Care for the Elderly, and cannot be enrolled in a practice that is part of the Medicare Shared Savings Program or other program that shares Medicare savings.

We will establish a practice-specific spending target derived from claims, based on expected Medicare FFS utilization for each of the beneficiaries in the practices in the absence of the Demonstration. Annual spending targets will be calculated for each participating practice at the end of each performance year. The spending target will be derived from a base expenditure amount equal to the average payments under Medicare Part A and Part B. Savings will be calculated as the difference between each practice's

spending target and actual costs. Practices will also be required to meet quality performance standards in order to share in any savings. Under this 3-year demonstration, IAH providers will continue to bill and be paid standard Medicare FFS reimbursement.

Applicants must submit completed applications following the format outlined in the Demonstration application instructions in order to be considered for review by CMS. Applications not received in this format will not be considered for review.

For the Project Application and specific details regarding the IAH Demonstration, please refer to the CMS Web site at

http://www.cms.gov/DemoProjectsEvalRpts/downloads/IAH_FactSheet.pdf

Please refer to file code [CMS-5048-N] on the Application. Applicants must submit at least 1 electronic copy on CD-ROM of the Application and are required to submit a paper version of the Application with an original signature. Because of staffing and resource limitations, we cannot accept applications by facsimile (FAX) transmission. Hard copies and electronic copies must be identical.

Applications for practices applying to the IAH Demonstration will be considered timely if they are received on or before 5:00 p.m., Eastern Standard Time (E.S.T.) on the date listed in the “DATES” section of this notice.

III. Collection of Information Requirements

Accordance to section 3024 of the Affordable Care Act this notice does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 35).

Authority: Section 3024 of the Affordable Care Act. (Catalog of Federal Domestic Assistance Program No. 93.778, Medicare--Supplementary Medical Insurance Program)

Dated: September 9, 2011.

Donald M. Berwick

Administrator

Centers for Medicare & Medicaid Services

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